

Developing Strategies for Sustaining the Improvement

Potential Strategies for Financial Sustainability

If the SAC members' and partners' health improvement initiative seems heading consistently in the desired direction, then the issue of financial sustainability will need to be addressed in a thoughtful, planned-for way—sooner, rather than later. There are a number of strategies that can be adopted in the search for dollars and other resources to keep the initiative afloat:

- *Marketing the Organization (Initiative)*—a process that helps you exchange something of value for something you need. Marketing includes such things as image-building, friend-raising; membership development; community relations; political activities; and citizen education.
- *Sharing positions and resources*—collaborating with other organizations in a variety of ways to share space, equipment, staff, or expertise.
- *Becoming a line item in an existing budget*—that part of an organization's budget that is dedicated to one thing.
- *Incorporating activities or services in organizations with a similar mission*—the management of what was started by the SAC members and partners is shifted over to another organization.
- *Applying for grants*—grant money may be available from public sources or from local or federal foundations. Grant awards may also be in the form of non-cash resources.
- *Tapping into personnel resources*—people and positions that exist in other organizations and that can be shared for low or no cost.
- *Soliciting in-kind support*—resources other than money that are available to your group. If they weren't given to you, you'd have to pay for them with dollars; this is an important part of the available resource pool.
- *Developing and implementing fundraisers*—usually requiring a product, service or an event that will allow others to contribute money.
- *Pursuing third-party funding*—this occurs when someone directly involved in work being done provides resources that allow two other parties to interact (e.g., health insurance reimbursement).
- *Developing a fee-for-service structure*—clients pay for some services as they receive them. Fees may be applied for all, or only some services.
- *Acquiring public funding*—funding or resources through the federal government, state legislature or city council.
- *Securing endowments and planned giving arrangements*—money invested so that an annual income is produced, or gifts that are donated and can be used immediately.
- *Establishing membership fees and dues*—this may be an alternative to formal fundraising.
- *Making a business plan*—raising money through creating a business to support the work. Profit from the business supports the work.¹

These strategy alternatives are not mutually exclusive. Different strategies can be combined in different ways, and other new alternatives may be created.

Choosing a Strategy

From a performance accountability perspective, here are some points for the SAC members and partners to keep in mind as they begin the strategy selection process:

- Make sure the action agenda drives financing and not the other way around.
- Consider financing as a matter of packaging together many different resources. No single financing source will do the job.
- Stretch your resources by using them to leverage other resources. Seek funding options in the following priority order:
 - No-cost items;
 - Items fully funded by other partners without your dollars;
 - Items funded jointly with your dollars and other funds; and
 - Items funded solely with your dollars.
- Consider each element of your plan one at a time and consider all the possible ways that element could be financed:
 - Redeployment: Using money and non-monetary resources already in the system;
 - Revenue: Finding new money and resources; and
 - Restructuring: Changing the laws of the universe which drive the use of money and resources.²

(*RBA...Results in...New Questions* in the “Tools” section provides some questions to help the SAC members and partners think through how to sustain that which is worth sustaining from their health improvement initiative.)

Putting it all together, a possible process for selecting the strategy or combination of strategies that makes the most sense for the SAC members and partners includes the following steps:

- ***Decide who will make these decisions.*** If possible, try to achieve shared leadership for the strategy selection process.
- ***Have the population results and indicators in mind as the process begins.*** This helps to orient participants to what is important to think about as possibilities are discussed.
- ***Brainstorm possible strategies for initiative.*** The list above can be a starting point, but may need to be modified or added to for each unique situation.
- ***Gather input from key people such as current funders, staff, volunteers, and clients.*** The more people the SAC members and partners can listen to, the more they will benefit from different perspectives.
- ***Choose the strategy or strategies that make sense for the SAC members and partners.*** Diversifying the funding by using several different strategies is often very helpful for groups.³

A final note of caution: the SAC members and partners need to be careful not to overextend themselves, such that they are using all their time and personnel resources trying to earn money or obtain resources. It is a common trap to fall into, so strike a good balance. And, when something works—build on that (e.g., write grants if a good grant writer is on board, or work with legislators if a good liaison is part of the group). Use

this process as a starting point to think strategically about funding needs and to develop a dynamic approach that will allow the health improvement initiative to achieve its desired results and “turn the curve” to improve the well-being of the community.

Tools for this Section: RBA...Results in ...New Questions

Notes

¹ Adapted from: KU Work Group on Health Promotion and Community Development. (2000) Chapter 46, Section 2: Strategies for Sustaining the Initiative. Lawrence, KS: University of Kansas. Retrieved 8/12/2002 from the World Wide Web: http://ctb.ukans.edu/tools/EN/sub_section_main_1330.htm

² Adapted from: “How do I finance a results-based plan?” in M. Friedman, The Results and Performance Accountability Implementation Guide, Fiscal Policy Studies Institute, 2002. Retrieved 10/22/2002 from the World Wide Web: <http://www.raguide.org>

³ Adapted from: KU Work Group on Health Promotion and Community Development. (2000) Chapter 46, Section 2: Strategies for Sustaining the Initiative, op. cit

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Tools

These questions illustrate how leaders of RBA can introduce these concepts simply by asking new questions and changing the conversation among agency staff, legislators, community members and others.

RBA... (Results Based Accountability)

Results in... New Questions

What did your organization do to improve the well being of the people we serve?

What is the investment needed, over what period of time, to change specific results?

What is the economic value of that investment over time?

What is our investment relative to others?

Who are your partners in this work, and what is their investment?

What are your indicators of improved well being that you are aiming to change?

Let us see the indicators that show the change over time.

From: “Where do we start in a (state, city or community) that wants to do this? Where do we start in one that doesn’t want to do this? In M. Friedman, The Results and Performance Accountability Implementation Guide, Fiscal Policy Studies Institute, 2002. Retrieved 7/12/2002 from the World Wide Web: <http://www.raguide.org>. Used by permission.